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Message Text

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ACTION NEA-10

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /098 W
----------131220Z 053281 /20
R 131108Z APR 77
FM AMEMBASSY TEL AVIV
TO SECSTATE WASHDC 5692
INFO AMEMBASSY CAIRO
AMEMBASSY AMMAN
AMCONSUL JERUSALEM

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E.O. 11652: N/A
TAGS: ENRG, IS
SUBJECT: RUMORS OF OIL STRIKE FUEL ISRAELI STOCK MARKET

REF: TEL AVIV 2289

1. RUMORS OF OIL DISCOVERIES DURING THE PAST THREE WEEKS HAVE RESULTED IN A STEEP RISE IN OIL-RELATED SHARES ON THE TEL AVIV STOCK MARKET. ISRAELI ENERGY OFFICIALS, HOWEVER, HAVE BEEN QUICK TO DENY THE RUMORS. THE MARCH 22 MAARIV QUOTED ISRAEL LIOR, THE COMMISSIONER OF OIL EXPLORATION, AS STATING THAT "SIGNS OF OIL HAD NOT BEEN DISCOVERED IN ANY ONE OF THE DRILLINGS NOW BEING EXECUTED WITHIN ISRAEL." IN THE APRIL 12 JERUSALEM POST, ZVI DINSTEIN, CHAIRMAN OF THE NATIONAL ENERGY AUTHORITY, DISMISSED AS "NONSENSE" RUMORS THAT THE JORDAN EXPLORATION COMPANY HAD STRUCK A BONANZA IN AN OFFSHORE DRILLING OPERATION NER AT-TUR IN THE GULF OF SUEZ. DINSTEIN DECLARED THAT "WE HAVE BEEN ENCOUNTERING OIL INDICATIONS AND SIGNS ALL THE TIME,"
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BUT HE INSISTED THAT NOTHING OF SUBSTANCE HAD BEEN FOUND TO DATE AND THAT THE RUMORS WERE LARGELY UNFOUNDED.

2. JOEL FISHER, ASSISTANT MANAGING DIRECTOR OF THE ISRAEL NATIONAL OIL COMPANY (INOC), TOLD US ON APRIL 13 THAT DINSTEIN'S STATEMENT WAS AUTHORITATIVE AND THAT THERE WAS NOTHING BEHIND RUMORS OF AN OIL STRIKE AT A-TUR OR

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IN THE GULF OF SUEZ. HE EMPHATICALLY DENIED THA ALLEGATION BY A "SENIOR EXECUTIVE ASSOCIATE WITH ONE OF THE COMPANIES DRILLING IN THE AREA," PUBLISHED IN THE APRIL 13 JERUSALEM POST, THAT OIL HAD BEEN FOUND AT THE OFFSHORE "SABRA" SITE IN THE GULF OF SUEZ. FISHER'S PERSONAL OPINION WAS THAT THE RUMORS WERE SPREAD IN ORDER TO STIMULATE ARTIFICIALLY OIL-RELATED SHARES ON THE STOCK MARKET.

3. COMMENT: IT IS INTERESTING TO NOTE THAT ALL THE COMPANIES BENEFITTING FROM THESE RUMORS OF AN OIL STRIKE HAVE NOTHING TO DO WITH THE EXPLORATION EFFORT IN THE GULF OF SUEZ. DELEK HAS NEVER ENGAGED IN OIL EXPLORATION ANYWHERE. PAS INVESTMENTS IS NOT INVOLVED IN THE EXPLORATION ACTIVITY OF ITS PARENT PAZ COMPANY. LAPIDOT HAS INVESTED ONLY IN ONSHORE EXPLORATION AND POSSIBLY OFFSHORE IN THE MEDITERRANEAN. NAPTHA IS A SUBSIDIARY OF LAPIDOT BUT DEALS ONLY WITH GAS. JORDAN EXPLORATION AND INVESTMENT ALSO HAS NOTHING TO DO WITH OIL EXPLORATION IN SOUTHERN SINAI. IT IS THE NEPTUNE OIL COMPANY, A U.S.-FINANCED GROUP, THAT IS UNDERTAKING THE SABRA OFFSHORE EFFORT IN PARTNERSHIP WITH INOC.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, SECURITIES MARKETS, EXPLORATORY DRILLING
Control Number: n/a
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Sent Date: 13-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770128-0071
Format: TEL
From: TEL AVIV
Handling Restrictions: n/a
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Handling Restrictions: n/a
Reference: 77 TEL AVIV 2289
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
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Review Release Date: n/a
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Review Withdrawn Fields: n/a
SAS ID: 2816073
Secure: OPEN
Status: NATIVE
Subject: RUMORS OF OIL STRIKE FUEL ISRAELI STOCK MARKET
TAGS: ENRG, EFIN, IS
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/bb45b2a5-c288-dd11-92da-001cc4696bcc
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